

EL DORADO COUNTY ECONOMIC FORECAST

El Dorado County is home to the town of Coloma, where the first discoveries of gold sparked the California gold rush. It shares its eastern border with the state of Nevada. El Dorado County has a population of 177,900 people and almost 52,000 wage and salary jobs. The per capita income in El Dorado County is \$41,866, and the average salary per worker is \$42,972.

Employment growth in Northern California was strong in 2006, compared to the previous five years. Employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter Counties) grew at a robust pace of 2.2 percent. In 2006, 1,100 total wage and salary jobs were created in El Dorado County, implying a growth rate of 2.3 percent. The unemployment rate remained unchanged at 4.6 percent in 2006.

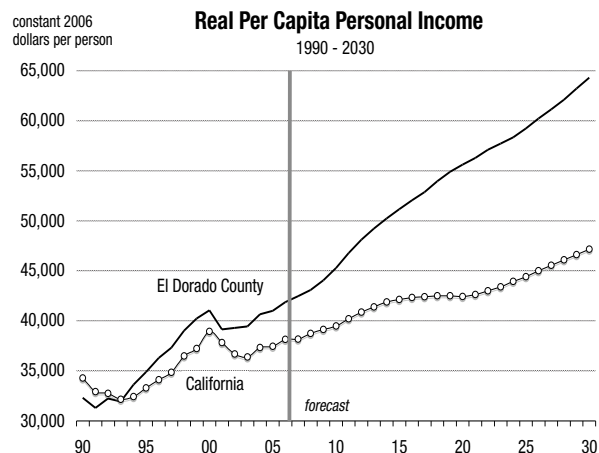
The principal sectors that are producing jobs are professional services, education and healthcare, and leisure services. In 2006, the leisure services added 360 jobs, the most of any sector. Employment in the construction sector declined by 180 jobs as housing production waned.

From January 2006 to January 2007 the population increased by 1.2 percent in El Dorado County, as the county grew at a slower rate than the state for the first time since 1999. The majority of the gain in population was in the unincorporated areas of the county. The only two incorporated cities, Placerville and South Lake Tahoe, added less than 100 residents combined.

While employment growth will remain high in El Dorado County, population growth is no longer forecast to be at an above average rate, due to lower levels of net migration.

FORECAST HIGHLIGHTS

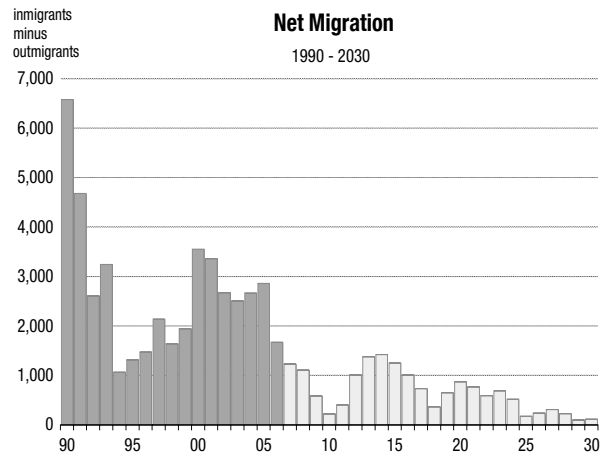
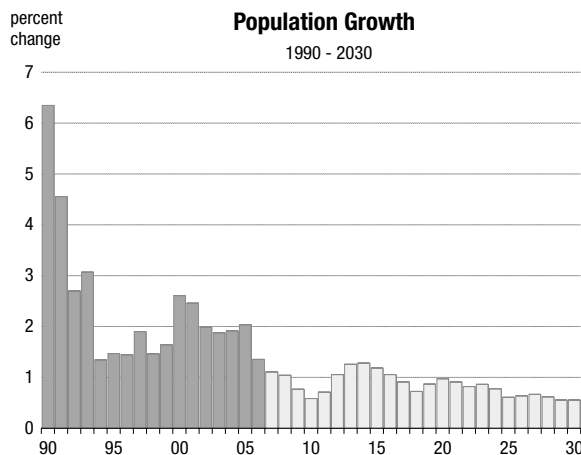
- Job growth is forecast to decline to 1.7 percent in 2007, and then fall further to 0.9 percent in 2008. It rebounds sharply in later years and from 2007 to 2011, the rate is forecast to average 2.1 percent.
- Average salaries adjusted for inflation are currently well below the California state average, but are increasing at a faster rate than the state as a whole. Average salaries adjusted for inflation are expected to rise an average of 2.0 percent per year over the next 5 years.
- The momentum for employment growth is in professional services, leisure services, education and healthcare services, and government. These sectors account for 80 percent of all jobs created in the county over the next five years.
- Population is forecast to grow by 1.1 percent in 2007. Annual growth in the 2007 to 2011 period averages 0.9 percent per year.
- Net migration is forecast to decline to 1,200 people in 2007. Over the next five years net migration is expected to decline further, averaging just 700 net migrants per year, compared to 2,500 net migrants per year over the previous five years.
- Real per capita incomes are forecast to rise 1.4 percent in 2007. Over the next five years real per capita incomes are forecast to increase 2.2 percent per year.
- Total taxable sales are expected to increase by an average of 5.6 percent over the next five years. Adjusted for inflation, they increase 3.1 percent per year.
- Industrial production is forecast to increase 5.3 percent in 2007. Over the next five years industrial production is forecast to rise an average of 5.6 percent per year.



El Dorado County Economic Forecast

1997-2006 History, 2007-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1997	149,800	2,138	148.1	53.6	1,079	\$1.0	\$4.3	\$37,307	3.4	30.3	274.9	5.5
1998	152,000	1,638	159.2	54.7	1,172	\$1.0	\$4.7	\$39,017	3.2	23.7	293.6	5.0
1999	154,500	1,944	165.8	55.6	1,435	\$1.2	\$5.1	\$40,231	4.2	23.9	359.6	3.9
2000	158,531	3,552	177.5	58.9	1,562	\$1.3	\$5.6	\$41,044	4.5	28.1	425.0	4.2
2001	162,432	3,364	188.4	59.8	2,174	\$1.4	\$5.8	\$39,145	5.4	28.2	369.5	4.3
2002	165,663	2,674	195.1	61.1	1,947	\$1.5	\$6.0	\$39,280	1.6	28.8	378.1	5.2
2003	168,777	2,507	197.7	62.4	1,939	\$1.5	\$6.2	\$39,443	1.8	24.2	395.2	5.5
2004	172,015	2,662	216.6	64.0	2,196	\$1.7	\$6.6	\$40,662	1.2	27.3	398.8	5.1
2005	175,525	2,861	221.8	66.0	1,731	\$1.9	\$7.0	\$40,989	2.0	27.0	408.5	4.6
2006	177,909	1,669	224.8	67.7	1,189	\$2.0	\$7.4	\$41,866	3.3	28.3	429.4	4.6
2007	179,885	1,230	230.5	69.1	1,201	\$2.1	\$7.9	\$42,460	2.9	28.0	452.0	4.7
2008	181,769	1,108	235.5	70.4	976	\$2.2	\$8.2	\$43,075	2.0	28.5	477.7	5.1
2009	183,167	584	240.4	71.6	873	\$2.4	\$8.6	\$44,034	2.0	27.9	505.6	5.4
2010	184,249	220	245.7	72.7	1,025	\$2.5	\$9.2	\$45,276	2.5	27.2	534.5	5.4
2011	185,562	402	252.1	73.7	1,358	\$2.6	\$9.8	\$46,770	2.4	27.3	563.8	5.3
2012	187,529	1,011	259.4	74.8	1,528	\$2.8	\$10.4	\$48,110	2.2	27.0	593.6	5.5
2013	189,898	1,379	267.1	76.0	1,531	\$2.9	\$11.0	\$49,223	2.3	26.4	625.1	5.6
2014	192,339	1,422	274.6	77.2	1,441	\$3.1	\$11.6	\$50,232	2.3	26.1	654.3	5.7
2015	194,629	1,251	281.7	78.5	1,326	\$3.2	\$12.3	\$51,162	2.6	25.6	680.3	5.8
2016	196,695	1,009	288.3	79.7	1,199	\$3.4	\$13.0	\$52,048	2.7	25.1	705.9	5.8
2017	198,499	731	294.2	80.9	1,018	\$3.6	\$13.7	\$52,860	2.7	25.5	732.3	5.9
2018	199,947	365	300.6	82.0	1,226	\$3.8	\$14.4	\$53,941	2.5	25.2	761.2	5.8
2019	201,690	650	307.2	83.2	1,316	\$4.0	\$15.1	\$54,899	2.5	24.7	790.8	5.8
2020	203,657	872	313.4	84.3	1,224	\$4.2	\$15.9	\$55,606	2.5	24.4	831.0	5.8
2021	205,524	770	319.0	85.4	1,124	\$4.4	\$16.6	\$56,284	2.4	24.9	852.9	5.7
2022	207,214	591	324.7	86.5	1,203	\$4.6	\$17.4	\$57,089	2.5	24.3	863.3	5.7
2023	209,012	691	330.0	87.6	1,095	\$4.8	\$18.2	\$57,725	2.5	24.6	880.9	5.8
2024	210,644	518	334.6	88.7	919	\$5.1	\$19.0	\$58,344	2.3	23.8	901.4	5.8
2025	211,936	173	339.2	89.7	988	\$5.3	\$19.8	\$59,222	2.4	23.3	920.9	5.7
2026	213,295	236	343.9	90.7	1,011	\$5.6	\$20.8	\$60,223	2.4	22.9	935.6	5.7
2027	214,723	309	348.5	91.6	958	\$5.9	\$21.8	\$61,128	2.5	22.6	947.7	5.7
2028	216,063	226	352.7	92.5	896	\$6.2	\$22.8	\$62,095	2.7	22.7	966.1	5.7
2029	217,270	99	357.0	93.4	910	\$6.4	\$24.0	\$63,214	2.7	22.0	986.6	5.7
2030	218,487	113	360.9	94.3	808	\$6.7	\$25.2	\$64,301	2.6	21.6	1006.7	5.7



El Dorado County Employment Forecast

1997-2006 History, 2007-2030 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	35.8	0.28	2.5	1.9	0.6	5.7	1.4	3.3	0.6	3.8	5.9	8.4
1998	39.0	0.35	2.9	2.0	0.6	6.0	1.5	4.4	0.6	4.1	6.7	8.5
1999	41.6	0.38	3.7	2.2	0.7	6.3	1.7	5.0	0.6	4.2	6.6	8.9
2000	44.2	0.50	4.3	2.3	0.6	6.6	1.9	5.6	0.6	4.4	6.9	8.9
2001	45.6	0.38	4.7	2.4	0.7	6.8	2.3	5.7	0.6	4.6	7.0	9.1
2002	47.4	0.39	4.6	2.3	0.7	7.0	3.0	5.7	0.6	4.9	7.5	9.3
2003	48.6	0.38	4.7	2.3	0.7	6.8	3.5	6.0	0.6	5.2	7.6	9.1
2004	50.6	0.41	5.3	2.1	0.7	6.7	3.5	6.8	0.6	5.4	8.1	9.1
2005	50.8	0.41	5.3	2.1	0.7	6.7	3.5	6.8	0.6	5.4	8.2	9.1
2006	51.9	0.42	5.2	2.1	0.7	6.9	3.6	7.0	0.6	5.7	8.6	9.3
2007	52.8	0.43	5.1	2.2	0.7	7.0	3.5	7.3	0.6	5.9	8.7	9.5
2008	53.3	0.42	4.8	2.2	0.7	7.1	3.5	7.5	0.6	6.0	8.9	9.6
2009	54.3	0.43	4.7	2.2	0.7	7.2	3.5	7.8	0.6	6.3	9.0	9.8
2010	55.6	0.44	4.8	2.2	0.7	7.3	3.5	8.2	0.6	6.6	9.2	10.0
2011	57.6	0.44	5.5	2.2	0.7	7.4	3.5	8.7	0.7	7.0	9.3	10.1
2012	59.7	0.44	6.2	2.2	0.8	7.5	3.5	9.3	0.7	7.2	9.5	10.2
2013	61.4	0.46	6.6	2.2	0.8	7.6	3.6	9.8	0.7	7.5	9.6	10.4
2014	62.7	0.46	6.6	2.2	0.8	7.7	3.7	10.4	0.7	7.8	9.8	10.5
2015	63.8	0.47	6.5	2.2	0.9	7.8	3.8	10.8	0.7	8.0	10.0	10.6
2016	64.7	0.48	6.2	2.2	0.9	7.8	3.9	11.2	0.7	8.3	10.2	10.8
2017	65.4	0.47	5.7	2.2	0.9	7.9	4.0	11.5	0.7	8.6	10.4	10.9
2018	66.9	0.48	6.1	2.2	0.9	8.0	4.0	11.8	0.7	8.9	10.5	11.0
2019	68.4	0.49	6.5	2.2	0.9	8.1	4.1	12.1	0.7	9.3	10.6	11.1
2020	69.2	0.49	6.5	2.2	1.0	8.2	4.1	12.4	0.7	9.6	10.7	11.2
2021	70.0	0.49	6.3	2.2	1.0	8.3	4.1	12.6	0.7	10.0	10.7	11.3
2022	71.1	0.50	6.5	2.2	1.0	8.4	4.2	12.9	0.7	10.4	10.8	11.4
2023	71.8	0.49	6.3	2.2	1.0	8.4	4.2	13.1	0.7	10.8	10.8	11.5
2024	72.2	0.51	5.8	2.2	1.1	8.5	4.2	13.4	0.7	11.2	10.8	11.6
2025	73.2	0.52	5.9	2.2	1.1	8.6	4.3	13.6	0.7	11.5	10.8	11.8
2026	74.1	0.52	6.0	2.2	1.1	8.7	4.3	13.9	0.7	11.8	10.9	11.9
2027	74.9	0.53	5.9	2.2	1.1	8.8	4.3	14.2	0.7	12.1	10.9	12.0
2028	75.6	0.53	5.7	2.2	1.1	8.8	4.3	14.4	0.8	12.4	11.0	12.1
2029	76.5	0.54	5.7	2.2	1.1	8.9	4.4	14.6	0.8	12.7	11.0	12.2
2030	77.1	0.55	5.5	2.2	1.2	9.0	4.4	14.9	0.8	13.0	11.1	12.4

